



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

09/764,782

01/17/2001

Glenn McGarry

101612-5010 US

7173

9629 7590 03/22/2011
MORGAN LEWIS & BOCKIUS LLP
1111 PENNSYLVANIA AVENUE NW
WASHINGTON, DC 20004

EXAMINER

BORLINGHAUS, JASON M

ART UNIT

PAPER NUMBER

3693

MAIL DATE

DELIVERY MODE

03/22/2011

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 09/764,782	Applicant(s) MCGARRY ET AL.
	Examiner JASON M. BORLINGHAUS	Art Unit 3693

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 22 November 2010.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 26-28, 30-38, 40-48 and 50-58 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 26-28, 30-38, 40-48 and 50-58 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|--|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____. | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
5) <input type="checkbox"/> Notice of Informal Patent Application
6) <input type="checkbox"/> Other: _____. |
|---|--|

Art Unit: 3693

DETAILED ACTION

Acknowledgements

Claims 26-28, 30-38, 40-48 and 50-58 are pending.

Claims 26, 30, 36, 40, 46, 50 and 56 – 58 were amended in the Applicant's filing on 11/22/2010.

This office action is being issued in response to the Applicant's filing on 11/22/2010.

Continued Examination Under 37 CFR 1.114

A request for continued examination under 37 CFR 1.114 was filed in this application after a decision by the Board of Patent Appeals and Interferences, but before the filing of a Notice of Appeal to the Court of Appeals for the Federal Circuit or the commencement of a civil action. Since this application is eligible for continued examination under 37 CFR 1.114 and the fee set forth in 37 CFR 1.17(e) has been timely paid, the appeal has been withdrawn pursuant to 37 CFR 1.114 and prosecution in this application has been reopened pursuant to 37 CFR 1.114. Applicant's submission filed on 11/22/2010 has been entered.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

Art Unit: 3693

Claims 26 – 33, 36 – 43, 46 -53 and 56 - 58 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sandhu (US PG Pub. 2003/0033212) in view of McErlean (US Patent 7,024,462).

Regarding Claim 26, Sandhu discloses a system comprising:

- one or more client devices (member/provider systems) operable to display an interface (graphic user interface) and receive by way of entry into the interface information concerning one or more deals from one or more users (member/provider systems). (see fig. 50, para. 205-209);
- the received information identifying a party (internal party/member), a counterparty (external party/provider) and one or more product types (trade type/transaction types) of one or more financial products associated with the one or more deals. (see fig. 3, para. 225; para. 205-209);
- wherein the one or more deals each comprise a financial transaction that has been agreed to by the party and the counterparty (completed transactions) and the one or more users (member/provider systems) are party or the counterparty to the one or more deals. (see para. 843); and
- a deal management computer (respective back-end systems) in communication with the one or more client devices (member/provider systems) to process the one or more deals through multiple deal states (processing). (see para. 7).

Sandhu does not teach that the system routes deals based on the one or more product types of the one or more financial products associated with the one or more deals.

McErlean discloses a system comprising routing messages based on one or more types (tags). (see col. 1, lines 11 – 65).

It would have been obvious to one of ordinary skill in the art at the time of the invention to have modified Sandhu by incorporating a routing of deals based upon deal information, as disclosed McErlean, to allow for the most efficient and productive processing of the submitted deals.

Regarding Claims 27 – 33, Sandhu discloses a system wherein:

- the one or more financial instruments include a derivative instrument (derivatives trading). (see abstract);
- the one or more financial products include one or more of the following: swaps (interest rate swaps). (see para. 183);

Art Unit: 3693

- the one or more remotely located client devices include an interface (user interface) to select the one or more product types of the one or more financial products and to identify the party and the counterparty associated with one or more deals. (see fig. 45 – 159);
- wherein the one or more remotely located client devices include an interface to access information concerning the one or more deals during processing of the one or more deals (interfaces that enable monitoring the status of transactions). (para. 1230 – 1461);
- wherein the multiple deal states include states for trade authorization (verification) and settlement (settlement and back-end processing). (see para. 1494 - 1497); and
- wherein the multiple deal states include (i) deal in process (active quote outstanding), (ii) deal pending trade authorization (verification), (iii) deal pending middle office processing (settlement) and (iv) deal in back office (back-end processing). (see para. 1494 - 1497); and
- wherein completion of the one or more deals results in a mature deal (accepted and executed deal) or an inactive deal (expired deal). (see para. 1240; 1496 - 1497).

Regarding Claim 56, Sanhu discloses a system wherein the deal management computer (back-end system) is in communication with a plurality of internal systems (pricing, payments, trading, confirmation, settlement), each of the internal systems being associated with one or more product types. (see fig. 1).

Sandhu does not teach that the captured information being routed to at least one of the plurality of internal systems. s

McErlean discloses a system comprising routing messages based on one or more types (tags). (see col. 1, lines 11 – 65).

It would have been obvious to one of ordinary skill in the art at the time of the invention to have modified Sandhu and McErlean by incorporating a routing of deals based upon deal information, as disclosed McErlean, to allow for the most efficient and productive processing of the submitted deals.

Regarding Claims 36 – 43, 46- 53 and 57 - 58, such claims recite similar limitations as claimed in previously rejected claims, would have been obvious based upon previously rejected

Art Unit: 3693

claims, or are otherwise disclosed by the prior art applied in previously rejected claims. Such claim limitations are therefore rejected using the same art and rationale as previously utilized. Applicant is reminded that any argument contrary to such an interpretation is an indication of patentably distinct subject matter that may warrant a restriction requirement.

Claims 34 – 35, 44 – 45 and 54 - 55 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sandhu and McErlean, as applied to Claims 26, 36 and 46 above, and further in view of Official Notice.

Regarding Claims 34 – 35, Sandhu does not explicitly disclose that the party or counterparty to the above deals are a hedge fund or an investment bank, although Sandhu states that his system "enables institutional investors and financial institutions" to overcome deficiencies in the prior art. (see para. 05). Hedge funds and investment banks fall within the scope of that language. Furthermore, such claim language appears to be directed toward intended use (identifying the intended users of the claimed system).

Regardless, Examiner takes **Official Notice** that it is old and well known that hedge funds and investment banks are traditional and conventional parties to financial transactions in the art of investing and financial markets.

It would therefore have been obvious to one of ordinary skill in the art at the time the invention was made to have modified Sandhu and McErlean by incorporating such users as are old and well known in the art, as such users are standard and traditional participants in the activities to which the claimed invention is directed towards.

Regarding Claims 44 - 45 and 54 - 55, such claims recite substantially similar limitations as claimed in previously rejected claims. Such claim limitations are therefore rejected using the same art and rationale as previously utilized.

Response to Arguments

Applicant's arguments filed 11/22/2010 have been fully considered but they are not persuasive.

Amended Claim Language

Applicant asserts that the prior art fails to teach or suggest the newly amended claim limitations. Specifically, Applicant asserts that the prior art fails to teach or suggest " one or

Art Unit: 3693

more client devices operable to receive by way of entry into an interface information concerning one or more deals, the one or more deals each comprising a financial transaction that has been agreed to by a party and a counterparty." (Applicant's emphasis).

Applicant admits that Sadhu discloses "interfaces" but argues that the "interfaces ... receive information regarding price requests and price quotes, not deals comprising a financial transaction that has been agreed to by a party and a counterparty, as claimed." (see Arguments filed 11/22/2011).

Examiner assumes that the distinction the applicant is attempting to make is that, in Sandhu, the interfaces receive information concerning price requests and price quotes which is information associated with potential future deals not information associated with deals accepted at the time of receipt.

However, Sadhu also discloses that these price requests and price quotes can be accepted by the respective parties and processed toward settlement. (see para. 182 – 187). As such, information received by the interface, while initially associated with potential future deals, is transformed into information associated with "a financial transaction that has been agreed to by the party and the counterparty" once the potential future deal is accepted.

There is nothing in the claim language that dictates that at the time of initial receipt of the information that the transaction had already been agreed upon by all parties.

Furthermore, the phrase "financial transaction that has been agreed to" by all parties is extraordinarily broad. Obviously, Applicant does not intend "agreed" to mean that the transaction has been completely executed. Dependent Claim 32 indicates that after being "agreed to" the deal moves through multiple deal states ... "in process", "pending trade authorization", "pending middle office processing" and "in the back office." These deal states indicate that the initial state is far from final. Furthermore, dependent Claim 33 indicates that the "financial transaction that has been agreed to" by all parties might never obtain completion but may result in an "inactive deal."

With the term "agreed to" being so broad, a price offer can represent "a financial transaction that has been agreed to" by all parties. A price offer would identifier the party (sender), the counterparty (recipient) and the product type (price offer for specified financial product). Solicitation of a price offer and response from the sender to the recipient shows the senders agreement to be bound by his transmitted offer.

McErlean Prior Art Reference

Applicant asserts that Office Action mailed on 1/10/08 failed to disclose a particular part of McErlean that was relied upon by the Examiner. Examiner felt that McErlean was applicable in its entirety but apologizes for his failure to cite a particular portion of the prior art reference.

Applicant argues that McErlean fails to teach or suggest "the captured information being routed based on the one or more product types of the one or more financial products associated with the one or more deals." Examiner refutes such an argument, and asserts Sandhu and McErlean, in combination, do disclose the cited claim limitations.

Sandhu discloses a system that captures information via the deal capture system. (see fig. 14). The information is transmitted as an electronic message concerning financial transactions (see para. 711 - 713). The financial transaction information includes the product type, such as Euro currency in a foreign exchange spot transaction. (see para. 205).

McErlean discloses a system in which electronic messages include orders, sometimes financial transaction orders. (see col. 1, lines 11 - 65). The electronic messages are processed, analyzed and classified based upon the message content. (see col. 1, lines 11 - 65). The classification information is used as routing information within the system. (see col. 1, lines 32 - 35).

Examiner asserts that based upon the disclosures of Sandhu and McErlean that it would have been obvious to one of ordinary art at the time the invention was made to have modified Sandhu to incorporate the ability to route information, as disclosed by McErlean, based upon the product type contained within the information, as disclosed by Sandhu, allowing for efficient classification of information which "is a time consuming process". (see McErlean).

Front-End System versus Middle/Back End Trading System

Applicant argues that Sandhu is directed to a "front-end" trading system while the claimed invention is directed to a "middle" and "back-end" trading system. Applicant appears to define the claimed invention as a "middle" and "back-end" trading system on the basis that the "processes [are] already executed or consummated deals". Applicant specifically cites the claim limitation that the deals are "executed trades," as in Claim 26.

However, the claim terminology of "executed trades" must be broadly interpreted. Claim 26 obviously doesn't mean that the deals are completely and finally executed (e.g. all parties

Art Unit: 3693

have completely settled) when information is captured. This would create a conflict with Claim 32 which states that these "executed deals" are classified as being "in process" or "pending trade authorization," deal stages that must proceed execution. All "executed trades" means is that the deal will eventually be executed.

Even that liberal interpretation might be in error as "pending trade authorization" (as in Claim 32) and labeling a deal as "an inactive deal" (as in Claim 33) indicates that a deal might never fully proceed to final resolution. This is highlighted by the fact that the newly amended claims have deleted the limitation that the deals pass through multiple deal states to completion in realization that the deal might not reach completion.

Applicant argues that the trades in Sandhu are not "executed trades" but "transactions that will occur in the future." Even if such an assertion is true, which this Examiner refutes, Examiner does not understand how this differentiates Sandhu from the claimed invention. The claimed invention's deals are for transactions that might occur in the future, assuming the deal passes through all the deal stages successfully.

Furthermore, even if one was to take the Applicant's narrow definition of "an executed trade," deals in Sandhu do proceed to the status of executed trades. In fact, Sandhu communicates its information to middle and back-end trading systems, even to the point of generating trade confirmations and performing settlement procedures. (see abstract; para. 211 – 212).

Official Notice

The Examiner would like to point out that Official Notice statement(s) were used in the Office Action mailed on 1/10/08 to indicate that certain concept(s), technology(s) and/or methodology(s) are old and well known in the art. Per MPEP 2144.03(c), since applicant has not attempted to traverse such Official Notice statement(s), Examiner is taking the asserted common knowledge and/or well-known statement to be admitted prior art.

Conclusion

THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO

Art Unit: 3693

MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jason M. Borlinghaus whose telephone number is (571) 272-6924. The examiner can normally be reached on 8:30am-5:00pm M-F.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on (571) 272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/James A. Kramer/

Supervisory Patent Examiner, Art Unit 3693

/Jason M Borlinghaus/

Examiner, Art Unit 3693

August 3, 2008

Application/Control Number: 09/764,782

Page 10

Art Unit: 3693